NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS

(PUBLIC SHAREHOLDING COMPANY)

FINANCIAL STATEMENTS

31 DECEMBER 2022

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Noor Capital Markets for Diversified Investments
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Noor Capital Markets for Diversified Investments Public Shareholding Company (the Company) as at 31 December 2022, which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International *Code of Ethics for Professional Accountants* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition	Audit procedures
Total recognized revenues for the year ended 31 December 2022 amounted to JD 518,988 (2021: JD 518,988). The Company's revenues resulted from the agreement signed with the Parent Company, this matter has been focused on based on the nature of the risks associated with the accuracy and timing of revenue recognition.	Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies in accordance with the International Financial Reporting standards. In addition, since the Company's revenue is from a single source (Parent Company), we have obtained the agreement, tested documents and supporting evidence, and checked the appropriateness of recording and revenue recognition. Disclosures that relate to revenues are included in note (5) to the financial statements. Disclosures that relate to revenue recognition accounting policy are included in note (2) to the financial statements.

Other information included in The Company's 2022 Annual Report

Other information consists of the information included in the Company's 2022 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2022 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguard applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of accounts which are in agreement with the financial statements.

The partner in charge of the audit resulting in this auditor's report was Osama Fayez Shakhatreh; license number 1079.

Amman – Jordan
7 March 2023

ERNST & YOUNG
Amman - Jordan

NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022	2021
		JD	JD
ASSETS			
Cash on hand and at banks	3	414,897	714,018
Accounts receivable and other current assets	4	8,527	62,783
Due from related parties	5	1,094,347	817,508
Property and equipment	6	1,981	1,241
Total assets		1,519,752	1,595,550
LIABILITIES AND EQUITY			
Liabilities -			
Accounts payable		48,736	48,592
Due to related parties	5	-	924
Other current liabilities	8	90,383	107,005
Due to shareholders		31,397	31,423
Total liabilities		170,516	187,944
Equity -			
Paid-in capital	1,7	1,000,000	1,000,000
Share capital issuance discount		(205,391)	(205,391)
Share capital issuance premium		50,000	50,000
Statutory reserve		180,133	154,547
Retained earnings		324,494	408,450
Total equity		1,349,236	1,407,606
Total liabilities and equity		1,519,752	1,595,550

The attached notes from 1 to 15 form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		JD	JD
Consulting revenue	5	518,988	518,988
General and administrative expenses	9	(194,150)	(137,590)
Marketing expenses		(26,365)	(28,263)
Interest income		5,050	2,411
Provision for expected credit losses		(50,000)	-
Other income		2,338	-
Profit before tax		255,861	355,546
Income tax	10	(64,231)	(38,542)
Profit for the year		191,630	317,004
Add: other comprehensive income		-	-
Total comprehensive income for the year		191,630	317,004
		JD/ Fils	JD/ Fils
Basic and diluted earnings per share from the profit for the year	11	0/192	0/317

The attached notes from 1 to 15 form part of these financial statements

NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Paid-in capital	Share capital issuance discount	Share capital issuance premium	Statutory reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2022						
Balance at 1 January 2022	1,000,000	(205,391)	50,000	154,547	408,450	1,407,606
Total comprehensive income for the year	-	-	-	-	191,630	191,630
Transfer to statutory reserve	-	-	-	25,586	(25,586)	-
Cash dividends distribution (note 1)	-	-	-	-	(250,000)	(250,000)
Balance at 31 December 2022	1,000,000	(205,391)	50,000	180,133	324,494	1,349,236
For the year ended 31 December 2021						
Balance at 1 January 2021	1,000,000	(205,391)	50,000	118,992	377,001	1,340,602
Total comprehensive income for the year	-	-	-	-	317,004	317,004
Transfer to statutory reserve	-	-	-	35,555	(35,555)	-
Cash dividends distribution (note 1)	-	-	-	-	(250,000)	(250,000)
Balance at 31 December 2021	1,000,000	(205,391)	50,000	154,547	408,450	1,407,606

The attached notes from 1 to 15 form part of these financial statements

NOOR CAPITAL MARKETS FOR DIVERSIFIED INVESTMENTS
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		JD	JD
OPERATING ACTIVITIES			
Profit before tax		255,861	355,546
Adjustments -			
Depreciation	6	768	17,151
Interest income		(5,050)	(2,411)
Provision for expected credit losses		50,000	-
Loss on disposal of property and equipment		169	-
Working Capital Changes -			
Accounts receivable and other current assets		4,256	(57,387)
Related parties		(483,215)	661,529
Accounts payable		144	(545)
Other current liabilities		(6,417)	(464)
Due to shareholders		(26)	413
Income tax paid	10	(74,436)	(98,367)
Net cash flows (used in) from operating activities		(257,946)	875,465
INVESTING ACTIVITIES			
Purchase of property and equipment	6	(1,677)	(529)
Interest income received		5,050	2,411
Net cash flows from investing activities		3,373	1,882
FINANCING ACTIVITIES			
Cash dividends paid		(44,548)	(250,000)
Net cash flows used in financing activities		(44,548)	(250,000)
Net (decrease) increase in cash and cash equivalents		(299,121)	627,347
Cash and cash equivalents at the beginning of the year		714,018	86,671
Cash and cash equivalents at the end of the year	3	414,897	714,018

The attached notes from 1 to 15 form part of these financial statements

(1) GENERAL

Noor Capital Markets for Investments was established as a Public Shareholding Company on 14 December 2005 (previously the Middle East diversified Investments Company) under registration number 377 with an authorized, subscribed and paid-in capital of JD 550,000, divided into 550,000 shares with a par value of 1 JD per share. The capital of the company was increased and decreased during the previous years to reach JD 1,000,000 divided into 1,000,000 shares at a par value of JD 1 per share and an issuance discount of JD 205,391 and an issuance premium of JD 50,000.

The General Assembly of the Company approved in its extraordinary meeting held on 30 June 2020 to increase the authorized capital from JD 1,000,000 to JD 10,000,000, by issuing 9,000,000 shares at a par value of 1 JD per share through public offering. The Company's General Assembly decided in its extraordinary meeting held on 29 March 2022 to revoke the decision to increase the Company's capital and approve the merger of Noor Capital Markets for Diversified Investments Company with Noor Al Mal Brokerage and Foreign Stock Exchange Company, where Noor Capital Markets for Investments Company will be the merging company. In addition, it was agreed to change the new Company's name to become NCM for Investments - Jordan. The merger procedures were not completed in accordance with the legal requirements until the date of these financial statements.

The Company's General Assembly approved in its ordinary meeting held on 29 March 2022 to distribute cash dividends to the shareholders of 25% from the Company's paid in capital for the year 2021 in the amount of JD 250,000 each by their contribution to the Company.

The Company's General Assembly approved in its ordinary meeting held on 5 April 2021 to distribute cash dividends to the shareholders of 25% from the Company's paid in capital for the year 2020 amounting to JD 250,000 each by its contribution to the Company.

The Company is owned by NCM for Investments (Parent Company) by a percentage of 81.2%, and the financial statements are consolidated with NCM for Investments (Parent Company).

The financial statements were approved by the Company's Board of Directors in their meeting held on 6 March 2023.

The principal activities of the Company are to invest in real estate and security holding and to manage investment portfolios.

(2-1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards.

The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Jordanian Dinars, which is the functional currency of the Company.

(2-2) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2021 except for the adoption of new amendments on the standards effective as of 1 January 2022 shown below:

Reference to the Conceptual Framework – Amendments to IFRS 3
In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

These amendments had no material impact on the financial statements of the Company.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

These amendments had no material impact on the financial statements of the Company

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

These amendments had no material impact on the financial statements of the Company.

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no material impact on the financial statements of the Company

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

These amendments had no material impact on the financial statements of the Company.

IAS 41 Agriculture – Taxation in fair value measurements

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no material impact on the financial statements of the Company.

(2-3) SIGNIFICANT ACCOUNTING POLICIES

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation (except for land) is computed on a straight-line basis over the estimated useful lives of assets as follows:

	%
Furniture and fixtures	20
Equipment and office tools	20
Computers	35
Computer software	50

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is recorded in the statement of comprehensive income.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Accounts receivable

Trade receivables are stated at original invoice amount less allowance for expected credit losses. An estimate for the provision for expected credit losses is made applying IFRS 9 simplified approach to calculate and record provision for expected credit loss (ECL) on all its trade receivables. Trade receivables are written off when there is no probability for collecting them.

Impairment of financial assets

The Company assesses at each balance sheet date whether there is any objective evidence to record provision for expected credit loss on a financial asset or a group of financial assets.

Impairment is determined based on lifetime expected credit losses through establishing a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment is recognized as a provision for expected credit loss in the income statement. If in a subsequent period, the amount of the impairment loss decreases, the income is recognized in the statement of comprehensive income.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits that mature within three months.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for services or goods received whether billed by the supplier or not.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) arising from a past event and the cost to settle the obligation is both probable and able to be reliably measured.

Revenue and expense recognition

Revenue is recognized based on the new IFRS 15 as the standard establishes a five-step model to account for revenue arising from contracts with customers which includes that identification of the contracts and price, the performance obligation within the contract and that revenue is recognised when the company satisfies the performance obligation. Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled to in exchange for rendering of services to a customer over time as the customer simultaneously receives and consumes the benefits provided by the company.

Other revenues are recognized on an accrual basis.

Expenses are recognized using the accrual basis.

Fair value measurement

The Company measures financial instruments as at the date of the financial statements. Also, fair values of financial instruments are disclosed.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosure, the Company determines classification of assets and liabilities according to their nature, the risk of the assets or liabilities and the level of fair value.

Income Tax

Income tax provision is calculated in accordance with the Income Tax Law no. (34) for the year 2014, and its amendments and in accordance with IAS (12).

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

(2-4) Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Expected credit losses

For all debt instruments, the Company has applied the standard’s simplified approach and has calculated ECL based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Income tax provision

The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the country in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. In addition, the Company has an independent tax consultant that reviews the calculation of income tax provision.

Deferred tax assets are recognized for all deductible temporary differences such as non-taxable expenses and losses which are likely to be included in taxable income. Determining the carrying amount of deferred tax assets that can be recognized based on the extent that it is probable and that future profits will be available needs the judgment of the Company's management. Details of income tax provision is shown in note (10).

(3) CASH ON HAND AND AT BANKS

	2022	2021
	JD	JD
Cash on hand	1,785	3,290
Current accounts*	413,112	710,728
	414,897	714,018

* Interest rate on the current account at Arab Jordan Investment Bank amounted to JD 410,827 as at 31 December 2022 (31 December 2021: JD 708,394) was 1% on the monthly balance of the account.

(4) ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

	2022	2021
	JD	JD
Trade receivables	691,966	691,966
Refundable deposits	50,050	50,050
Prepaid expenses	2,893	5,747
Others	5,584	6,986
	750,493	754,749
Less: Provision for expected credit losses	(741,966)	(691,966)
	8,527	62,783

The movement on the provision for expected credit losses is as follow:

	2022	2021
	JD	JD
Balance as at 1 Jannuary	691,966	691,966
Provision for expected credit losses	50,000	-
Balance as at 31 December	741,966	691,966

(5) RELATED PARTIES TRANSACTIONS

These represent transactions with related parties i.e. major shareholders, directors and key management personnel of the company, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Company's management.

Balances with related parties included in the statement of financial position are as follows:

Amounts due from related parties

	2022	2021
	JD	JD
NCM for Investments (Parent Company)	1,092,577	817,508
Naser Mari (Chairman)	1,770	-
	1,094,347	817,508

Amounts due to related parties

	2022	2021
	JD	JD
Naser Mari (Chairman)	-	798
Noor Capital Company for Financial Consulting and Training (Sister Company)	-	126
	-	924

Balances with related parties are payable on demand and are non-interest bearing.

Transactions with related parties included in the statement of comprehensive income are as follow:

	2022	2021
	JD	JD
Board of Directors and executive management benefits		
Remuneration for Board of Directors members	20,000	15,000
Consulting revenue*	518,988	518,988
Marketing expenses - NCM for Investments (Parent Company)	26,365	28,263

* The Company signed a consulting services agreement with NCM for Investments (Parent Company) on 1 July 2017. The Company is entitled to USD 61,000 (JD 43,249) per month for the services provided to the Parent Company, in accordance with the agreement and its subsequent amendments.

A major part of the rent of the offices occupied by the Company is paid by Noor Al Mal Financial Brokerage (Sister Company) in addition to other administrative expenses such as electricity, cars and transportation.

(6) PROPERTY AND EQUIPMENT

	Furniture and fixtures	Equipment and office tools	Computers	Computer software	Total
2022 -	JD	JD	JD	JD	JD
Cost -					
Balance at 1 January 2022	108,470	16,289	8,404	6,279	139,442
Additions	1,677	-	-	-	1,677
Disposals	(15,341)	(13,834)	(4,130)	-	(33,305)
Balance at 31 December 2022	94,806	2,455	4,274	6,279	107,814
Accumulated depreciation -					
Balance at 1 January 2022	108,470	16,289	7,164	6,278	138,201
Charge for the year	134	-	633	1	768
Disposals	(15,341)	(13,834)	(3,961)	-	(33,136)
Balance at 31 December 2022	93,263	2,455	3,836	6,279	105,833
Net book value at 31 December 2022	1,543	-	438	-	1,981
2021 -					
Cost -					
Balance at 1 January 2021	108,470	16,289	7,875	6,279	138,913
Additions	-	-	529	-	529
Balance at 31 December 2021	108,470	16,289	8,404	6,279	139,442
Accumulated depreciation -					
Balance at 1 January 2021	94,138	14,037	6,597	6,278	121,050
Charge for the year	14,332	2,252	567	-	17,151
Balance at 31 December 2021	108,470	16,289	7,164	6,278	138,201
Net book value at 31 December 2021	-	-	1,240	1	1,241

(7) Owners' Equity

Share capital -
The Company's authorized and issued capital is JD 1,000,000 divided into 1,000,000 shares at a par value of JD 1 per share and an issuance discount of JD 205,391 and an issuance premium of JD 50,000.

Statutory Reserve -
The amounts accumulated in this account represent the transfers of 10% of the annual profit before tax for the year and prior years and is not available for distribution to shareholders.

(8) OTHER CURRENT LIABILITIES

	2022	2021
	JD	JD
Income tax provision (note 10)	64,460	74,665
Accrued expenses	20,776	26,981
Others	5,147	5,359
	90,383	107,005

(9) GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
	JD	JD
Salaries and wages	87,663	54,442
Legal and professional fees	32,078	21,460
Merge expenses*	26,088	-
Depreciation (note 6)	768	17,151
Remuneration for Board of Directors members	20,000	15,000
Rent	8,652	7,697
Bank charges	3,683	6,346
Post, telephone and internet	3,751	5,073
Governmental fees	3,152	3,541
Health insurance	2,746	2,866
Electricity	83	45
Currency exchange differences	-	4
Others	5,486	3,965
	194,150	137,590

* This item represents the expenses and fees related to the legal procedures for the merger of Noor Capital Markets for Diversified Investments Company with Noor Al Mal Brokerage and Foreign Stock Exchange Company (note 1).

(10) INCOME TAX

The Company calculated the income tax provision for the years ended 31 December 2022 and 2021 in accordance with the Income Tax Law No. (34) of 2014 and its amendments.

The Company's corporate income tax rate according to the Income Tax Law No. (34) of 2014 and its amendments is 20% in addition to National Contribution Tax at 1%.

The Company reached a final settlement with the Income and Sales Tax Department up to the end of 2020 by the Income and Sales Tax Department's sampling system. The Company submitted the income tax return for the year of 2021 and the Income and Sales Tax Department did not review the records up to the date of these financial statements.

Movement on income tax provision is as follows:

	2022 JD	2021 JD
Beginning Balance	74,665	134,490
Income tax provision for the year	64,231	74,665
Prior years income tax expense	-	15,350
Recoveries from income tax provision	-	(51,473)
Paid during the year	(74,436)	(98,367)
Ending Balance	64,460	74,665

The income tax expense shown in the statement of comprehensive income consists of the following:

	2022 JD	2021 JD
Income tax provision for the year	64,231	74,665
Prior years income tax expense	-	15,350
Recoveries from income tax provision	-	(51,473)
	64,231	38,542

The reconciliation between accounting profit and taxable profit is as follows:

	2022 JD	2021 JD
Accounting profit	255,861	355,546
Non-deductible expenses	50,000	-
Taxable profit	305,861	355,546
Income tax for the year	64,231	74,665
Effective income tax rate	25%	21%
Legal income tax rate	21%	21%

(11) EARNINGS PER SHARE

	2022	2021
Profit for the year (JD)	191,630	317,004
Weighted average number of shares (share)	1,000,000	1,000,000
	JD/ Fils	JD/ Fils
Basic and diluted earnings per share from the profit for the year	0/192	0/317

(12) FAIR VALUE

Financial instruments consist of financial assets and financial liabilities.

Financial assets consist of cash on hand and at banks, due from related parties and some other current assets. Financial liabilities consist of trade payables, due to related parties, due to shareholders and some other current liabilities.

There are no material differences between the carrying values and fair values of the financial assets and financial liabilities.

(13) FINANCIAL RISK MANAGEMENT

Interest rate risk

The Company is exposed to interest rate risk on its variable interest-bearing assets such as current bank accounts.

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the Company's profit for one year, based on the floating rate financial assets and financial liabilities held as at 31 December.

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably assess possible changes in interest rates as at 31 December, with all other variables held constant.

2022-

Currency	Increase in interest rates	Effect on profit for the year
	(Points)	JD
JD	50	2,054

2021-

Currency	Increase in interest rates	Effect on profit for the year
	(Points)	JD
JD	50	3,542

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company believes it is not exposed to significant credit risk as it maintains its balance and deposits in reputable financial institutions. The company believes that it is not significantly exposed to credit risk as it monitors outstanding receivables on a continuous basis.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations under its financial liabilities based on contractual maturity dates. The Company monitors its liquidity by ensuring availability of funds to meet its obligations as they become due. The Company manages its assets and liabilities in a manner that ensures the availability of sufficient cash to meet its commitments when due.

The table below summarizes the maturities of the Company’s undiscounted financial liabilities at 31 December, based on contractual payment dates and current market interest rates:

	Less than 3 months	3-12 months	Total
2022	JD	JD	JD
Accounts payable	48,736	-	48,736
Other current liabilities	90,383	-	90,383
Due to shareholders	-	31,397	31,397
	139,119	31,397	170,516
2021			
Accounts payable	48,592	-	48,592
Due to related parties	-	924	924
Other current liabilities	107,005	-	107,005
Due to shareholders	-	31,423	31,423
	155,597	32,347	187,944

Currency risk
Most of the company's transactions are in Jordanian Dinars and US Dollars. The Jordanian Dinar is pegged to the US dollar (USD 1.41 for 1 JD). Accordingly, the Company is not exposed to significant currency risk.

(14) CAPITAL MANAGEMENT

The main objective of the Company's capital management is to ensure that appropriate capital ratios are maintained in a manner that supports the Company's activity and maximizes equity.

The Company manages the capital structure and makes necessary adjustments in light of changes in working conditions. The Company's General Assembly decided in its extraordinary meeting held on 29 March 2022 to approve the merger of Noor Capital Markets for Diversified Investments Company with Noor Al Mal Brokerage and Foreign Stock Exchange Company, where Noor Capital Markets for Investments Company will be the merging company. In addition, it was agreed to change the new Company's name to become NCM for Investments - Jordan. The legal and acquisition procedures were not completed in accordance with the legal requirements until the date of these financial statements.

Capital comprises paid in capital, share capital premium and discount, statutory reserve and retained earnings and is measured at JD 1,349,236 as at 31 December 2022 (31 December 2021: JD 1,407,606).

(15) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 17 Insurance Contracts
In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach),
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Company.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement,
- That a right to defer must exist at the end of the reporting period,
- That classification is unaffected by the likelihood that an entity will exercise its deferral right,
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

The amendments are not expected to have a material impact on the Company.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Early adoption is permitted.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.